ADDITIONAL ... TO GOVERNMENT OF MADRAS
FINANCE DEPARTMENT

SPEECH OF

Sri C. Subramaniam,

Finance Minister

Presenting the Budget for the second half of the year 1953-54

to the Legislative Assembly

14TH DECEMBER 1953

सत्यमेव जयते

GOVERNMENT OF MADRAS

FINANCE DEPARTMENT

Speech of Sri C. Subramaniam, Finance Minister, presenting the Budget for the second half of the year 1953-54 to the Legislative Assembly of Madras on the 14th December 1953.

Introductory

Sir, Honourable Members are well aware of the circumstances under which we have assembled to consider the Budget for the second half of the current financial year, 1953–54. The budget proposals which we discussed last March, did cover the financial transactions for the whole year, but we then took only a 'vote on account' to meet the anticipated expenditure for the first six months. The Andhra State Act has since regularized the expenditure of the composite State for these six months and has also provided for the authorization of the expenditure by the Governor for the first four months of the second-half year. That Act, however, stipulates that the expenditure for the second-half year should be voted by the Legislatures of the respective States even though a good portion of it, had already been incurred before the Legislatures could meet. The present budget cannot therefore, contain surprises. The proposals are

substantially the same, as were placed before the House last March, with modifications, only to the extent rendered unavoidable under altered conditions.

Partition of the State.

2. The partition has affected our fortunes in many ways. As we look round the House, we miss many familiar faces and voices, which used greatly to enliven our discussions. Our regret is softened in the thought that we did our very best to make the transition smooth for them and in the hope that they will soon get over initial troubles at Kurnool. As a concession to Andhra sentiment, we had agreed to retain on our side, all non-Andhra Officers employed by the composite State, even though we knew that the decision would cause us some embarrassment. The logical course would have been to retrench the surplus personnel, but in view of the distress it would cause, the Government decided not to resort to that solution on a general scale. This may result in some immediate uneconomic outlay, but the Government are making suitable administrative changes to minimize the wastage and to make the best use of these trained personnel. One other consequence of the partition, is on the Food-front. Under our existing zonal arrangement, the City of Madras draws its supply of rice from the Circars. The continuance of this arrangement will require the agreement of the Andhra Government.

Seasonal conditions.

3. But, our anxieties on the food-front have been reduced to an appreciable extent, by the timely rains we had throughout the State. Grain prices are falling and for the first time after the War, rice is available in the city market at prices even below the Fair Price rate. Seasonal conditions in Andhra and other neighbouring rice-producing States, have also been good and therefore, we may face our rice deficit with greater confidence than last year. These rains

have enabled us to close down most of the famine relief works and the few that are still on in some of the dry taluks of Tirunelveli, Madurai and Coimbatore districts may also be closed, as the standing crops in those areas mature.

Budget Estimate.

4. In revising the budget for this half-year, we have taken due note of the present favourable turn in the season. The revenue for this half-year, is now estimated at Rs 23,71 lakhs and expenditure at Rs 23,48 lakhs, leaving a small surplus of Rs 23 lakhs. Credit is being taken for the receipt of about Rs 281 lakhs under Taxes on Income and Rs 91 lakhs under Union Excise Duties from the Central divisible pool. The Estate Duty Bill has since been passed into law and we are entitled to a share from its proceeds. But it may take some time before the Act produces revenue and therefore, no credit has been taken under this head in this budget. Land Revenue may be expected to bring in about Rs 375 lakhs in view of the improved seasonal conditions. Under 'Stamps', the original estimate of this year took credit for an additional revenue from a revision of the Court Fees Act. As the necessary legislation has not yet been introduced, this credit has been omitted in the present budget. The receipts from the General Sales Tax have now been estimated at Rs 490 lakhs, on the basis of the actual collections in the first half of this year. The partition of the State and the operation of Article 286 of the Constitution have, at the moment, led to a measure of uncertainty in the yield from this tax. However, the present favourable season may result in some improvement in the purchasing power of the ryot and it is therefore, hoped that there will be no further fall in this revenue. The receipts from the new State tax on tobacco which came into force from the beginning of this year have

been rather slow in coming, but as the departmental machinery is soon expected to get into full gear, a revenue of not less than Rs 25 lakhs may accrue in this half-year.

On the side of Expenditure, one special point to be noted is that the present budget provides for the disbursement of salaries to Government servants, only for five months. The salaries of all Government servants for September 1953, were paid to them in that month itself, so that the expenditure, which was legitimately a charge on the revenues of the composite State, might be met before the accounts of the composite State were closed. Our debt charges are fast growing and this will be an increasingly substantial feature in our future budgets. No doubt, our borrowings have all been invested on useful irrigation and electricity works, but the benefits derived by agriculturists from these investments, are not passed on to the Government in full measure. Better justice to the general tax-payer would be achieved by the levy of a reasonable betterment fee from the persons benefited, spread over, if necessary, in easy instalments. The question may soon come up for the consideration of the House. The total provision made in the budget for payment of interest and repayment of debt is Rs 180 lakhs, of which a sum of about Rs 20 lakhs is expected to be recovered from the Andhra and Mysore States. This estimate is provisional, as the allocation of the debt of the composite State of Madras among the three States of Madras, Andhra and Mysore, is bound to take some time. Under new items of expenditure, the National Extension Service is just under way with a provision of Rs 18 lakhs under the head "General Administration." There is another provision of Rs 20 lakhs

under the same head for expenditure on local development works and of Rs 42 lakhs for community projects. A provision of Rs 21 lakhs, has been made under 'Famine', a good portion of which is to cover the expenditure already incurred. Let us hope that with the improvement of seasonal conditions, the total expenditure may prove to be much less than budgeted for. Full details of the estimates of Revenue and Expenditure will be found in Appendix I to the printed copy of this speech.

New Schemes.

5. Even though we did not think it would be possible to sanction new schemes during the year, we have actually sanctioned many new development schemes in pursuance of the Five-Year Plan. Particulars of these new schemes and the amount included in the budget for them will be found as an Appendix to the Detailed Budget Estimates. The new National Extension Service Scheme, spread over all the districts, several Urban water-supply schemes, a few irrigation and electricity extension schemes and grants to a few educational institutions are the more important items of new sanction.

Five-Year Plan.

6. The Five-Year Plan for the composite State of Madras is now being broken up as between the Madras, Andhra and Mysore States. Of the total plan of Rs 140 crores for the composite State, the schemes benefiting the new Madras State, add up to about Rs 79 crores or 56 per cent of the total, which is short of the population ratio by 6 per cent. This was so because, in deference to the wishes of our Andhra friends, we had given greater emphasis to irrigation and electricity works in that area. We have drawn the attention of the Planning Commission and the Government of India to this matter and they have since agreed to include the Amaravathi and

Vaigai irrigation projects immediately in the Plan. They have also promised to finance these schemes with earmarked Central loans, as also the balance of work on the Mettur canals scheme, on which we were hitherto going slow for lack of funds. The Amaravathi scheme has just been sanctioned and the Vaigai scheme will be sanctioned presently, and execution of all these works will be expedited to the extent practicable. Our trained surplus personnel will not all be absorbed by these new sanctions. It is very desirable that we should take up a few more medium-sized irrigation schemes as also the Periyar and the Kundah Hydro-Electric schemes. Representations to this effect are being made and let us hope the Planning Commission will agree. In the meanwhile, we are recasting our Plan in the light of our present needs and resources and a full picture will be placed before the House as soon as practicable.

Capital expenditure.

7. The provision made for capital expenditure in the second half of this year is Rs 686 lakhs, which includes Rs 256 lakhs on Irrigation, Rs 355 lakhs on Electricity, Rs 52 lakhs on buildings, Rs 12 lakhs on industrial development and Rs 11 lakhs for the payment of compensation for the abolished Zamindari estates. The work on the Lower Bhavani project is almost completed and the expenditure estimated to be incurred in this half-year is only Rs 13 lakhs. Adequate provision has been made for the expenditure in the half-year on the Malampuzha project, Rs 79 lakhs, Manimuttar project, Rs 60 lakhs, and Mettur canals, Rs 33 lakhs. The provision for Tank Improvement schemes in the present budget is only Rs 25 lakhs, as with all the tanks full, the work has necessarily to be slowed down. Our Electricity schemes are also making satisfactory progress, and the

budget provision includes Rs 104 lakhs under Pykara, Rs 98 lakhs under Madras Thermal, Rs 82 lakhs under Mettur, and Rs 70 lakhs under Papanasam schemes. Appendix II to the printed copy of this speech, gives full particulars of the provision made for each work in the capital account.

8. The total ways and means requirements for the second half of this year, are now estimated at Rs 721 lakhs, made up of Rs 686 lakhs under capital expenditure (excluding State Trading schemes), and Rs 35 lakhs for net disbursements under Loans and Advances by this Government. Happily, we met with a considerable measure of success in our public loan, for the year. A sum of Rs 617 lakhs was credited to this Government's account on the 1st October 1953, as our share of the proceeds of this open market loan and this has come in very useful towards meeting the capital expenditure in this half-year. The balance of our requirement of about Rs 1 crore is expected to be met from loans from the Government of India. In fact, the budget takes credit for a total loan of Rs 222 lakhs from the Government of India, comprising Rs 157 lakhs for specified irrigation projects, Rs 40 lakhs from the Handloom Cess Fund and Rs 25 lakhs for Housing schemes and the like. The transactions under State Trading schemes and deposit accounts are expected to result in a net withdrawal of about Rs 101 lakhs. Allowing for all these and taking into account the small revenue surplus of Rs 23 lakhs and the opening cash balance in treasuries of about Rs 5 lakhs, our closing balance for this year is estimated at Rs 45 lakhs. **Ways and Means.**

9. In presenting this budget I have thought it best to give only a brief outline of the estimates, **Conclusion.**

without digressing into programmes and policies. As I mentioned earlier, we are only just settling down to work after the upheaval caused by the partition. We shall have another opportunity to discuss policies almost immediately when the budget for the year 1954–55 comes up before the House towards the end of February. I hope the House will not take much time over the details of the present Budget, so that we may pass on quickly to other urgent items of work, standing over for consideration in the present session.

MADRAS,
14*th December* 1953.

C. SUBRAMANIAM,
Finance Minister.

[Appendices

APPENDIX I.

Revenue and Expenditure on Revenue Account of the Madras State.

A. Revenue.

Major heads of revenue.	1938–39.	1945–46.	1946–47.	1947–48.	1948–49.	1949–50.	1950–51.	1951–52.	1952–53.	1953–54. Budget as presented to the Legislature in March 1953.	1953–54. Budget Estimate for the second six months as now presented.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Union Excise Duties ..	..	..	..	..	..	..	..	..	2,88·75	2,89·84	90·94
Taxes on income other than Corporation tax.	22·50	4,31·25	4,48·05	5,35·32	8,42·22	8,23·32	8,29·15	9,15·43	9,42·44	8,94·84	2,80·76
Land Revenue—											
Gross receipts including portion due to irrigation.	7,00·78	7,97·33	8,53·19	8,08·42	7,68·79	8,12·09	9,50·71	9,20·82	8,70·85	10,08·30	3,75·00
Excise	3,72·23	16,79·50	14,67·99	10,69·18	3,66·54	58·82	55·28	40·74	47·26	41·88	14·33
Stamps	1,73·37	3,74·20	4,37·74	3,35·92	4,05·57	4,32·68	4,88·49	4,54·27	4,51·88	5,47·73	1,30·00
Forest	45·63	1,43·24	1,61·39	1,82·81	1,59·57	1,65·70	1,88·56	2,08·92	1,58·17	1,65·61	59·73
Registration	32·70	69·83	75·96	78·90	86·55	95·47	1,07·97	1,09·59	1,01·03	1,04·49	40·00
Receipts under Motor Vehicles Acts. ..	81·22	97·96	1,31·11	1,66·64	1,97·45	3,00·73	3,48·74	3,90·14	4 25·95	4,90·65	1,71·01
Other taxes and duties—											
General sales tax ..	..	5,82·70	6,95·90	8,31·26	13,03·01	15,24·35	15,86·87	15,59·10	13,23·18	14,00·00	4,90·00
Other items ..	3·19	1,45·33	1,49·38	1,98·52	2,29·32	2,85·54	3,08·61	3,62·50	378·67	4,13·21	1,48·00
Total ..	3·19	7,28·03	8,45·28	10,29·78	15,32·33	18,09·89	18,95·48	19,21·60	17,01·85	18,13·21	6,38·00
Irrigation—											
Direct receipts ..	6·31	11·73	12·82	11·88	12·06	13·78	14·29	14·19	15·52	14·58	2·52
Deduct—Working expenses.	— 38·39	— 70·00	— 79·38	— 91·08	— 1,03·44	— 1,17·86	— 1,14·94	— 1,20·50	— 1,56·77	— 1,19·05	— 9·06
Net receipts ..	— 32·08	— 58·27	— 66·56	— 79·20	— 91·38	— 1,04·08	— 1,00·65	— 1,06·31	— 1,41·25	— 1,05·07	— 6·54

A. REVENUE—*cont.*

Major heads of revenue.	1938–39.	1945–46.	1946–47.	1947–48.	1948–49.	1949–50.	1950–51.	1951–52.	1952–53.	1953–54. Budget as presented to the Legislature in March 1953.	1953–54. Budget Estimate for the second six months as now presented.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Irrigation—											
Direct receipts ..	1·99	2·80	3·02	2·80	3·09	4·23	4·54	3·30	3·31	3·46	1·19
Interest	19·73	95·00	1,24·43	79·95	93·72	91·73	77·07	53·29	19·24	49·44	25·09
Administration of Justice.	15·39	53·75	48·92	72·51	73·12	80·99	84·55	84·48	78·25	85·78	26·35
Jails and Convict Settlements.	5·98	15·76	13·93	13·21	15·99	22·05	20·98	26·67	31·97	26·45	10·75
Police	5·66	18·93	15·76	13·79	19·51	27·28	26·86	29·32	28·74	20·16	8·35
Ports and Pilotage ..	44·67	..	..	— 47·08	..	..	..	..	..	..	..
Education	8·35	15·41	27·58	32·63	30·29	42·54	31·90	54·23	38·71	51·76	21·02
Medical	10·25	18·15	17·81	20·35	23·33	23·08	27·07	26·34	24·66	27·04	10·62
Public Health ..	2·59	6·63	5·95	5·49	7·79	6·34	7·55	9·13	7·79	9·10	3·64
Agriculture	3·12	20·73	30·05	22·64	23·86	35·30	1,18·24	1,16·60	1,35·28	(a) 1,87·20	(a) 42·62
Veterinary	1·02	3·34	3·62	2·73	3·50	5·30	5·93	7·85	8·83	7·87	2·50
Co-operation	4·18	7·60	7·68	8·89	12·28	18·82	26·45	18·83	22·74	23·62	8·02
Industries	18·85	59·17	60·96	72·49	75·81	77·82	1,20·39	1,19·78	1,07·95	1,58·05	41·29
Miscellaneous departments.	7·62	11·02	15·09	17·14	20·68	25·64	42·61	41·33	48·76	40·82	18·60
Civil Works	25·12	48·46	66·31	1,11·25	86·34	1,15·54	1,06·47	1,07·24	1,43·10	1,36·65	44·86
Receipts from Electricity Schemes (Gross).	42·51	1,17·73	1,25·14	1,83·89	2,71·22	3,21·41	3,77·61	4,71·20	5,16·70	5,63·56	2,51·03
Deduct—Working expenses.	— 24·81	— 63·88	— 72·24	— 1,21·93	— 1,86·10	— 2,20·19	— 2,33·13	— 3,47,64	— 4,12·02	— 3,79·18	— 94·40
Net receipts	17·70	53·85	52·90	61·96	85·12	1,01·22	1,44·48	1,23·56	1,04·68	1,84·38	1,56·63
Receipts in aid of annuation.	2·88	6·03	6·46	7·39	4·80	5·07	5·96	5·90	6·35	5·53	1·74
Stationery and Printing.	3·96	12·92	13·04	13·75	13·44	33·67	16·90	19·54	14·79	19·69	11·76

Miscellaneous—											
Gross Receipts from Bus Service (b).	..	..	..	23·85	95·88	..	..	..	..	..	..
Other items ..	14·58	41·34	87·53	93·54	92·40	1,39·22	1,65·52	1,04·42	92·14	1,03·31	77·51
Total ..	14·58	41·34	87·53	1,16·89	1,88·28	1,39·22	1,65·52	1,04·42	92·14	1,03·31	77·51
Receipts from Road Transport Schemes —Gross Receipts (c).	..	..	..	..	..	1,04·06	1,16·68	1,18·88	1,24·95	1,26·36	70·43
Working expenses (c).	..	..	..	..	..	– 91·87	– 1,00·84	– 1,10·20	– 1,20·37	– 1,06·47	– 66·56
Net receipts ..	..	..	..	..	..	12·19	15·84	8·68	4·58	19·89	4·87
Grants-in-aid from the Central Government.	..	..	..	..	..	..	..	4·00	8·61	8·61	·17
Miscellaneous adjustments between Union and State Governments.	0·27	0·13	0·14	0·10	0·21	0·22	0·20	0·25	·38	·22	·06
Extraordinary Receipts.	..	0·18	2,36·47	2,98·05	2,79·25	3,26·22	2·69	1,18·62	74·05	1,51·66	60·01
Transfer from Revenue Reserve Fund.	..	..	5,06·00	..	5·00	..	..	..	..	..	..
Civil Defence ..	..	44·62	7·22	15·45	0·47	0·40	0·41	4·59	– 1·02	2·53	..
Grand total ..	16,13·45	47,98·89	57,05·02	50,70·15	53,33·52	55,89·49	58,16·34	59,43·15	58,50·82	65,74·71	23,70·93

(a) Includes fishery receipts which were shown under "Industries" in previous years.

(b) The receipts are shown under "Receipts from Road Transport Schemes" from 1949–50.

(c) Prior to 1949–50, the receipts were included under the revenue head "Miscellaneous" and the Working Expenses were shown under the expenditure head "Miscellaneous."

B. EXPENDITURE ON REVENUE ACCOUNT.

Major heads of expenditure.	1938–39.	1945–46.	1946–47.	1947–48.	1948–49.	1949–50.	1950–51.	1951–52.	1952–53.	1953–54. Budget as presented to the Legislature in March 1953.	1953–54. Budget estimate for the second six months as now presented.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(12)	(13)
	RS	RS	RS	RS	RS	RS	RS	RS	RS	RS	RS
	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.	LAKHS.
Land Revenue	25·36	26·01	27·12	28·98	37·44	40·42	46·10	88·65	84·33	1,04·11	38·11
Excise	32·18	51·59	53·09	59·44	69·04	77·24	79·79	84·86	80·47	80·16	17·82
Stamps	4·72	13·74	18·23	21·04	21·16	23·05	25·25	24·10	25·13	24·22	6·50
Forest	40·17	77·00	80·15	86·29	79·10	79·26	74·81	80·35	90·34	84·03	26·97
Registration ..	29·13	38·56	43·75	48·62	51·86	50·83	52·19	53·57	54·01	55·26	13·66
Charges on account of Motor Vehicles Acts—											
Payment to local bodies.	75·06	68·19	80·67	96·47	1,01·67	0·32	90·73	90·89	1,04·02	90·96	32·74
Other departmental expenditure.						9·62	9·93	9·89		13·93	3·83
Other taxes and duties—											
Payments to local bodies.	·64	48·41	68·72	87·03	1,19·47	97·72	1,01·94	1,12·48	1,59·13	1,10·00	33·30
Other departmental expenditure.						43·03	45·45	48·83		51·38	17·48
Irrigation—Interest on works for which capital accounts are kept.	87·59	89·45	91·23	95·71	1,04·15	1,19·15	1,42·21	1,75·31	..	2,84·30	1,86·03
Irrigation—Other revenue expenditure financed from ordinary revenues.	39·09	77·54	93·94	1,28·06	1,43·57	1,49·42	1,43·25	1,45·76	1,44·14	1,17·26	37·69
Construction of irrigation, etc., works.	1·25	6·11	0·63	2·60	4·07	5·80	3·29	0·61	·22	·07	..
Interest on debt and other obligationts.	58·48	65·40	78·52	81·96	1,00·04	1,09·39	1,23·66	1,45·66	2,04·39	2,76·47	1,37·91
Deduct—Interest transferred to Commercial Departments.	— 1,07·54	—1,26·45	— 1,31·53	— 1,47·82	— 1,73·58	— 2,13·18	— 2,65·54	— 3,33·49	— 2,01·19	— 4,87·61	— 346·99
Net amount met out of ordinary revenues.	— 49·00	— 61·05	— 53·01	— 65·86	—73·54	— 1,03·79	— 1,41·88	— 1,87·83	3·20	— 2,11·14	— 2,09·08

Appropriation for reduction or avoidance of debt.	5·13	55·90	57·00	1,42·78	69·68	75·47	75·68	1,02·30	1,06·01	1,23·56	21·40
General administration.	2,76·76	4,27·24	6,13·86	5,60·40	5,82·05	6,26·32	6,54·90	7,45·71	7,25·69	6,98·93	2,64·46
Administration of Justice.	90·63	1,28·80	1,42·42	1,45·64	1,50·03	1,58·34	1,65·56	1,76·09	1,84·47	1,76·53	51·99
Jails and convict settlements.	23·22	61·50	65·78	79·63	1,10·22	1,18·52	1,20·37	1,33·85	1,42·68	1,27·07	55·02
Police	1,60·96	2,98·03	4,05·71	4,64·81	6,51·97	6,89·89	6,98·89	7,37·42	7,16·88	7,00·25	2,14·18
Ports and Pilotage ..	..	5·00	4·56	..	0·01	..	..	..	..	..	·01
Scientific Departments.	0·96	1·53	1·21	1·37	1·52	1·58	1·64	2·33	2·30	2·05	·95
Education	2,61·98	4,59·72	5,90·27	7,03·70	8,85·94	9,58·41	10,42·65	11,01·10	11,96·02	12,05·34	4,70·87
Medical	98·14	1,80·00	2,15·93	2,38·50	2,76·54	2,96,18	3,14·87	3,53·12	3,80·33	3,56·09	1,24·89
Public Health ..	26·57	54·48	87·32	(a) 1,90·55	90·54	(b) 1,14·42	1,04·06	1,65·26	1,96·12	1,27·23	49·72
Agriculture	20·62	74·06	1,05·74	1,16·93	1,26·74	1,82·74	2,75·35	3,16·49	2,60·07	(c) 3,72·98	(c) 1,14·53
Veterinary	12·85	23·64	26·95	31·81	40·58	49·67	56·69	62·98	60·63	59·57	17·39
Co-operation	13·82	30·93	44·33	42·69	53·41	73·64	76·48	76·39	77·81	77·05	24·21
Industries	27·54	72·49	96·60	1,12·71	1,20·30	1,29·00	1,57·46	2,01·67	1,87·93	2,54·31	94·11
Capital outlay on Industrial Development.	..	22·10	..	0·02	0·06	0·32	0·25	0·39	·30	·13	·07
Aviation	..	..	..	..	..	0·59	·75	·43	·35	·60	·30
Miscellaneous departments (d).	21·11	71·93	87·50	1,19·82	1,15·55	1,31·99	1,49·34	1,67·29	1,72·77	1,73·23	74·59
Civil Works	1,19·70	2,81·65	3,97·72	4,66·69	5,88·84	7,30·05	8,27·83	7,62·59	9,77·26	6,02·42	2,20·00
Interest on capital outlay on Electricity Schemes.	18·92	35·96	39·45	49·92	66·92	87·41	1,14·36	1,48·81	1,88·71	2,22·76	1,53·47
Other revenue expenditure connected with Electricity Schemes.	..	1·13	2·32	2·92	0·11	— 0·34	8·47	2·90	5·92	— 2·84	1·74

B. EXPENDITURE ON REVENUE ACCOUNT—*cont.*

Major heads of expenditure.	1938–39.	1945–46.	1946–47.	1947–48.	1948–49.	1949–50.	1950–51.	1951–52.	1952–53.	1953–54. Budget as presented to the Legislature in March 1953.	1953–54. Budget Estimate for the second six months as now presented.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS
Famine..	16·04	6·32	20·38	3·80	4·75	25·03	8·00	13·96	51·56	22·98	26·10
Territorial and Political Pensions.	..	..	..	..	..	..	1·94	2·04	12·48	6·72	0·50
Superannu tion allowances and Pensions.	97·12	1,38·19	1,43·30	1,57·53	1,56·36	1,65·44	1,85·24	1,97·29	2,12·55	2,06·98	64·85
Commutation of pensions.	..	3·59	2·68	1·83	4·37	8·13	9·59	17·18	..	18·10	5·68
Stationery and Printing.	27·07	43·07	51·66	49·42	71·98	94·51	87·10	1,05·10	1,02·14	83·70	27·98

(*a*) Includes Rs. 100 lakhs representing contribution to the Rural Water-supply Fund.

(*b*) Includes Rs. 10 lakhs representing contribution to the Rural Water-supply Fund.

(*c*) Includes the expenditure of the Fisheries department, previously shown under " Industries."

(*d*) Includes expenditure on Harijan Uplift, Labour and other items. The details of expenditure under Harijan Uplift are shown below :—

	1938–39.	1945–46.	1946–47.	1947–48.	1948–49.	1949–50.	1950–51.	1951–52.	1952–53.*	1953–54. Budget as presented to the Legislature in March 1953.	1953–54. Budget Estimate for the second six months as now presented.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Gross expenditure on Harijan Welfare.	..	28·84	35·29	41·38	63·75	82·44	1,00·46	1,23·47	132·28	1,27·71	35·82
Amount met from the Fund for Village Reconstruction and Harijan Uplift.	..	..	..	— 1·81	— 4·10	— 18·44	— 36·46	— 52·70	— 57·53	— 52·00	..
Net amount	..	28·84	35·29	39·57	59·65	64·00	64·00	70·77	74·75	75·71	35·82

* Revised estimate figures. Accounts figures not yet finalized.

Miscellaneous—											
Expenditure on Bus Service.	..	..	..	12·44	90·31	*	*	*	*	*	*
Other items	4·39	1,52·66	5,21·98	1,06·86	1,33·24	43·58	29·76	26·58	26·27	22·90	9·04
Extraordinary charges—											
Net outlay on State Trading Schemes transferred to the Revenue Account.	..	−1,60·35	12,20·77	−16·04	2,03·63	(a)	(a)	(a)	(a)	(a)	(a)
Other items	..	−0·02	2,15·90	1,84·53	78·61	1,13·41	1,06·29	97·05	70·13	50·25	12·45
Total ..	..	−1,60·37	14,36·67	1,68·49	2,82·24	1,13·41	1,06·29	97·05	70·13	50·25	12·45
Community Development Projects.	..	..	..	..	..	..	..	..	34·38	1,11·05	42·13
Transfer to Revenue Reserve Fund.	..	17,31·00	..	4,90·00	..	..	..	..	..	..	..
Civil Defence ..	..	1,62·64	38·79	20·29	1·17	0·72	0·45	0·05	0·08	..	..
Grand total. ..	16,09·72	47,98·74	57,04·65	50,69·93	53,33·42	55,54·01	59,45·21	64,43·84	68,36·83	65,74·51	23,47·64
Final Revenue Surplus (+) or Deficit (−).	+3·73	+0·15	+0·37	+0·22	+0·10	+35·48	−1,28·87	−5,00·69	−9,86·01	+0·20	+23·29
(a) Shown under Capital Account. The figures are:						−4,49·11	−1,38·13	2,54·38	10,56·06	−3,72·89	50·0

* Working Expenses of the Madras City Bus Service are taken in deduction of the receipts from 1949–50.

APPENDIX II.

DETAILS OF CAPITAL EXPENDITURE.

Description of schemes.	Approximate estimated cost.	1946–47.	1947–48.	1948–49.	1949–50.	1950–51.	1951–52.	1952–53.	Total (1946–7 to 1952–3).	1953–54. Budget as presented to the Legislature in March 1953.	1953–54. Preliminary accounts for the first six months.	1953–54. Budget Estimate for the second six months as now presented.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
A. IRRIGATION, NAVIGATION, ETC., SCHEMES.												
Tungabhadra Project (Irrigation Side).	19,70·00	52·40	1,07·92	1,83·27	2,42·01	2,28·51	3,45·09	3,78·29	15,37·49	1,61·51	76·34	*
Lower Bhavani Project.	9,61·00	..	1·85	29·38	1,62·05	2,55·99	2,70·20	2,35·76	9,55·23	50·95	41·59	12·59
Mettur Canals Scheme.	2,45·00	..	..		5·07	13·39	28·68	27·38	74·52	26·14	8·90	33·03
Malampuzha Project ..	3,80·00	..	..	..	18·40	60·93	87·82	95·35	2,62·50	1,08·01	22·73	79·25
Rallapad Project ..	58·00	..	0·01	0·67	4·60	2·74	5·15	10·59	23·76	10·86	(c)	*
Manimuthar Project ..	3,98·00	..	..	..	..	6·09	21·13	51·44	78·66	1,14·88	29·42	60·21
Godavari Delta System.	(a)	9·57	20·79	(b)	0·94	3·40	9·71	13·41	57·82	11·57	(c)	*
Krishna Delta System	(a)	1·29	14·94	(b)	22·49 }	22·69	6·66	25·37	1,03·70	9·37	(c)	*
Romperu Drainage Scheme. ..	96·00	2·60	..	2·17	1·26 }		4·23	..	..	20·26	(c)	*
Tank Improvement Schemes.	..	..	..	..	..	1,05·53	85·63	98·35	2,89·51	40·00	15·07	25·23
Araniar Project ..	95·00	..	..	..	..	..	0·93	7·19	8·12	11·52	3·37	5·67
Walayar	1,00·00	..	..	..	..	..	0·20	0·24	0·44	10·97	3·97	5·41
Mangalam	45·00	..	..	..	..	..	0·37	1·25	1·62	10·97	1·07	5·41
Amaravathi Project ..	2,72·00	..	..	..	..	..	..	..	..	..	..	15·00
Vaigai Reservoir Project.	2,50·00	..	..	..	..	..	..	..	..	..	..	5·00
Other Irrigation Schemes (Productive and Unproductive).	(a)	—5·32	7·70	29·62	19·91	62·72	83·60	46·70	2,69·91	62·76	46·57	8·77
Pro-rata charge on Establishment and Tools and Plant.	..	1·04	3·67	3·55	1·75	7·07	5·40	..	22·48	2·92	(c)	0·19
Transfer from the Deposit Account of Procurement Bonus given by the Government of India.	..	..	..	..	..	—1,06·57	..	..	—1,06·57	..	..	..
Total ..	..	61·58	1,56·88	2,48·66	4,78·48	6,62·49	9,54·80	9,91·32	35,79·19	6,52·69	2,49·03	2,55·76

(a) Consists of several works some of which have been completed while others are in progress. Hence no estimated cost is given.
(b) Included under "Other Irrigation Schemes."
(c) Figures not available now.
* Does not relate to the Madras State now.

B. CAPITAL OUTLAY ON ELECTRICITY SCHEMES.

Machkund Hydro-Electric Scheme.	14,85·00	3·32	10·09	29·18	89·38	72·79	1,97·41	2,12·34	6,14·51	2,80·15	1,18·71	(b)
Moyar Hydro-Electric Scheme.	4,64·00	23·68	35·67	69·96	64·68	74·72	57·25	8·77	3,34·73	—10·87	9·40	5·31
Pykara Hydro-Electric Scheme.	..	21·45	71·56	40·18	82·01	1,18·98	88·27	1,35·20	5,57·65	2,31·07	89·18	98·67
Mettur Hydro-Electric Scheme.	..	20·27	60·44	68·21	65·49	1,01·82	67·01	74·92	4,58·16	73·32	32·91	81·80
Papanasam Hydro-Electric Scheme.	..	17·54	—·65	90·83	66·09	58·97	53·95	99·22	3,85·95	42·23	20·52	70·04
Madras Thermal Electric System.	..	..	1,65·67	49·16	84·40	1,76·78	93·94	1,25·36	6,95·31	1,10·79	53·90	98·28
Ceded Districts Scheme.	..	·55	10·26	13·83	22·97	17·26	8·13	11·79	84·79	1·27	·23	(b)
Visakhapatnam Thermal Scheme.	..	2·46	5·54	4·04	17·09	10·38	9·07	7·08	55·66	5·81	5·73	(b)
Vijayavada Thermal Scheme.	..	2·12	15·77	8·76	16·46	4·62	3·29	50·04	1,14·93	55·10	54·13	(b)
Kakinada Thermal Scheme.	..	·18	·13	3·01	4·57	3·51	2·47	(a)	(a)	(a)	(a)	(b)
Vijayavada-Rajahmundry-Samalkot Extensions.	..	6·88	22·76	41·49	35·46	46·40	10·54	7·18	1,70·71	6·98	4·69	(b)
Nellore Thermal Scheme.	1,01·00	..	27·13	·90	6·92	18·02	8·24	5·71	66·92	5·44	3·83	(b)
Kurnool Thermal Scheme.	..	1·12	·08	·47	1·66	0·59	0·98	2·20	7·10	1·75	·56	(b)
Tungabhadra Hydro-Electric Scheme.	7,94·00	..	..	..	..	0·93	3·68	10·47	15·08	99·19	39·01	(b)
Lump-sum provision for payment of compensation for acquisition of electrical undertakings of local authorities and private companies.	4,50·00	..	..	..	..	..	..	20·60	20·60	9·00	—·87	·74
Other Minor Schemes.	..	1·28	·31	4·53	6·67	31·68	18·29	17·80	80·56	15·88	3·19	..
Total ..	..	1,00·85	4,24·76	4,24·55	5,63·85	7,37·45	6,22·52	7,88·68	36,62·66	9,27·11	4,35·12	3,54·84

(a) Included in Vijayavada Scheme.

(b) Does not relate to the Madras State now.

Description of Schemes.	1946–47.	1947–48.	1948–49.	1949–50.	1950–51.	1951–52.	1952–53.	Total 1946–47 to 1952–53.	1953–54. Budget as presented to the Legislature in March 1953.	1953–54. Preliminary Accounts for the first six months.	1953–54. Budget Estimate for the second six months as now presented.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
C. INDUSTRIAL DEVELOPMENT SCHEMES.											
Cinchona Plantations ..	13·71	13·04	17·23	21·52	12·44	8·53	8·03	94·50	4·70	3·00	3·26
Kerala Soap Institute ..	..	..	..	..	..	0·04	0·26	0·30	..	0·22	..
Madras Industrial Engineering Workshops.	..	..	..	·02	..	..	0·30	0·32	..	0·08	..
Fish Liver Oil Industry ..	..	..	..	0·5	0·05	0·20	0·07	0·37	3·00	..	1·50
Madras Vegetable Ghee Factory.	·27	·67	2·01	4·25	3·16	1·30	5·22	16·88	..	0·36	0·40
Government Silk Filatures ..	..	..	..	1·36	0·14	2·04	0·78	4·32	..	0·08	..
Polytechnics (Buildings and Tools and Plant).	..	..	..	9·58	2·47	22·25	11·84	46·14	18·83	3·67	6·80
Artesian Wells	..	..	..	..	9·80	4·55	6·74	21·09	..	2·51	..
Shares in Fertilisers and Chemicals, Limited, Travancore.	..	..	20·00	..	1·00	..	..	21·00	..	..	..
Shares in Madras Industrial Investment Corporation, Madras.	..	..	51·00	..	51·00	..	..	1,02·00	..	..	..
Other Shares	..	..	..	..	2·40	—·90	..	1·50	..	..	..
Ceramic Industry	..	..	·02	·16	..	0·01	1·57	1·76	7·00	0·15	*
Andhra Paper Mills	..	..	25·35	..	0·43	·14	0·04	25·96	1·25	0·15	*
Total ..	13·98	13·71	1,15·61	36·94	82·89	38·16	34·85	3,36·14	34·78	10·22	11·96
D. CAPITAL OUTLAY ON ROAD TRANSPORT SCHEMES.											
Madras City Bus Service ..	2·76	30·68	26·65	12·95	8·83	— 4·32	10·37	87·92	13·26	9·81	0·28
E. CAPITAL OUTLAY ON CIVIL WORKS.											
Original Works—Buildings ..	10·72	9·89	33·36	61·09	84·51	1,14·42	93·66	4,07·65	1,39·42	31·13	52·24
F. COMPENSATION TO ZAMINDARS.											
Advance Compensation and Interim Payments.	..	..	..	1,32·16	1,17·87	2,03·09	85·18	5,38·30	*75·00*	*37·74*	*10·90*

* Does not relate to the Madras State now.

APPENDIX III.

STATEMENT OF THE DEBT POSITION OF THE MADRAS GOVERNMENT (EXCLUDING REPAYABLE DEPOSITS AND SIMILAR LIABILITIES) AS ON 31ST MARCH 1953.

I. OPEN MARKET LOANS.

When issued.	Description of loan.	Total amount issued.	Amount outstanding on 31st March 1953.
(1)	(2)	(3)	(4)
		RS LAKHS.	RS LAKHS.
September 1937 and September 1940.	3% Loan, 1952, I and II issues.	2,33·54	1·84
September 1938 ..	3% Loan, 1953.	1,51·29	1,42·08
June 1939	3% Loan, 1959.	1,50·00	1,23·96
September 1942 ..	3% Loan, 1955.	1,25·00	1,23·25
September 1943 ..	3% Loan, 1956.	1,25·10	1,25·10
August 1944	3% Loan, 1958.	1,10·00	1,07·95
September 1945 ..	3% Loan, 1960.	3,00·00	2,78·44
September 1946 ..	2¾% Loan, 1961.	4,09·30	3,81·77
July 1950	3% Development Bonds, 1960.	4,39·75	4,38·26
September 1951 ..	3½% Loan, 1962.	3,01·49	3,01·49
August 1952	4% Loan, 1934.	5,24·81	5,24·81
	Total, I. ..	28,70·28	25,48·95

II. LOANS FROM THE CENTRAL GOVERNMENT.

When obtained and description of loan.	Total amount.	Amount outstanding on 31st March 1953.	Remarks.
(1)	(2)	(3)	(4)
	RS LAKHS.	RS LAKHS.	
(1) Pre-autonomy consolidated debt (1st April 1937).	7,56·71	3,14·57	The Madras Government's debt to the Government of India after certain adjustments amounted to Rs. 7,56·71 lakhs on 1st April 1937. This debt was consolidated into a 4½ per cent loan and made repayable by 1981–82 by half-yearly equated instalments.

When obtained and description of loan.	Total amount.	Amount outstanding on 31st March 1953.	Remarks.
(1)	(2)	(3)	(4)
	RS LAKHS.	RS LAKHS.	

II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*

(2) Post-autonomy debt—			
1947–48	..	6,00·00	These are loans given by the Government of India for capital expenditure on Irrigation and Electricity Schemes when the Madras Government did not raise any market loan. Interest is payable half-yearly at 2-7/8 per cent per annum. The principal is repayable after 15 years in each case.
1948–49	..	3,00·00	
1950–51—			
Fisheries Programme—For giving a loan to the South Madras Fishermen Co-operative Society.	1·33	..	As there was no likelihood of the loan being utilized for the purpose, it was repaid to the Government of India in full with interest at 3¼ per cent per annum in October 1951.
Tractor Reclamation.	30·00	30·00	Loans given by the Government of India in connexion with the Intensive Cultivation Schemes. Interest at 3¼ per cent per annum is payable half-yearly. Principal is repayable after 15 years.
Oil Engines, Electric Motors, etc., Hire purchase.	20·00	20·00	
Oil Engines, Electric Motors, etc., Hire purchase.	40·00	40·00	Loans given in connexion with the Intensive Cultivation Schemes. Interest at 3⅜ per cent per annum is payable half-yearly. Principal is repayable after 15 years.
P.W.D. Irrigation and Tank Improvement Schemes.	45·00	45·00	
Purchase of cotton seeds from Madhya Pradesh for expansion of cotton cultivation.	10·00	..	The loan was free of interest and the principal was repaid on the 31st March 1952.
1951–52—			
Purchase and distribution of manure to the ryots.	1,00·00	..	This was a short-term loan repaid on the 31st March 1952.
To finance capital expenditure on Tungabhadra and Lower Bhavani Projects.	6,00·00	6,00·00	Loan from the Special Development Fund repayable by annual equated instalments commencing from 1955 and ending in 1961. For the first three years, i.e., 1952–53, 1953–54 and 1954-55, interest alone at 3½ per cent per annum to be paid.

When obtained and description of loan. (1)	Total amount. (2) RS LAKHS.	Amount outstanding on 31st March 1953. (3) RS LAKHS.	Remarks. (4)
II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*			
(2) Post-autonomy debt—*cont.*			
1951–52—*cont.*			
P.W.D. Irrigation Schemes.	23·00	21·83	Repayable in fifteen annual equated instalments with interest at 3¾ per cent per annum.
River Pumping Schemes.	9·00	20·13	Repayable in ten annual equated instalments with interest at 3½ per cent per annum.
Tractor Cultivation Schemes.	13·00		
Purchase and distribution of oil engines, and electric motor pump sets.	12·00	9·75	Repayable in five annual equated instalments with interest at 3¼ per cent per annum.
Industrial Housing Schemes.	9·00	..	This loan was free of interest and repayable after 25 years. As, however, the industrial concerns which applied for the loans dropped out of the scheme, preferring another scheme sponsored by the Government of India, the loan was repaid in 1952–53.
1952–53—			
Purchase and distribution of manure to the ryots.	100·00	..	This was a short-term loan repaid with interest at 3 per cent on 31st March 1953.
Purchase of cotton seeds from Madhya Pradesh for expansion of cotton cultivation.	10·00	..	This loan was free of interest and was repaid on 31st March 1953.
To finance capital expenditure on Tungabhadra, Lower Bhavani and Malampuzha Irrigation projects.	734·00	734·00	Loan from the special development fund repayable in annual equated instalments commencing from 1955 and ending in 1961. For the first two years, 1953–54 and 1954–55, interest alone at 4 per cent per annum to be paid.
To finance famine relief expenditure.	200·00	200·00	Repayable in ten annual equated instalments with interest at 4 per cent per annum.

Note: the 20·13 outstanding figure is bracketed jointly for River Pumping Schemes and Tractor Cultivation Schemes.

When obtained and description of loan. (1)	Total amount. (2) RS LAKHS.	Amount outstanding on 31st March 1953. (3) RS LAKHS.	Remarks. (4)

II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*

(2) Post-autonomy debt—*cont.*			
1952–53—*cont.*			
For being re-lent to the Madurai Municipality for extension of the Madurai Municipal sewage farm.	2·26	2·26	Repayable in eight equated annual instalments with interest at 3-7/8 per cent per annum.
P.W. Irrigation schemes.	21·00	21·00	Repayable in 15 annual equated instalments with interest at 4-1/8 per cent per annum.
River Pumping schemes.	9·00	9·00	Repayable in ten annual equated instalments with interest at 4 per cent per annum.
Tractor reclamation ..	17·58	17·58	
Supply of oil-engines and electric motors and installation of oil-engine pumpsets.	41·25	41·25	
Construction of tube-wells with filter points.	2·60	2·60	Repayable with interest at 3-1/8 per cent per annum in two equated annual instalments commencing from December 1953.
Construction of tube-wells with filter points.	15·26	15·26	Repayable in ten annual equated instalments with interest at 4 per cent per annum.
Special Minor Irrigation Schemes.	25·00	25·00	Do.
Scheme for urban compost.	3·52	3·52	Repayable with interest at 3-1/8 per cent per annum in five equated annual instalments.
Loan for Community Projects—Thulyabhaga Electricity Extension Scheme, Ramachandrapuram taluk.	1·00	1·00	Repayable with interest at 3-5/8 per cent in five annual equated instalments.
Periyar Project Irrigation Programme.	2·97	2·97	Repayable with interest at 4 per cent per annum in ten annual equated instalments.

When obtained and description of loan. (1)	Total amount. (2) RS LAKHS.	Amount outstanding on 31st March 1953. (3) RS LAKHS.	Remarks. (4)
II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*			
(2) Post-autonomy debt—*cont.*			
1952–53—*cont.*			
Loan for rehabilitation schemes—For financing the education expenditure of displaced students from Pakistan.	·06	·06	Repayable with interest at 3·5/8 per cent per annum in five annual equated instalments.
Total, II	..	30,76·78	
III. TEMPORARY ADVANCES.			
Ways and Means Advances from the Government of India.	17,00·00	17,00·00	Terms have not yet been decided.
Temporary accommodation from a Commercial Bank.	1,00·00	1,00·00	Repaid with interest at 3½ per cent per annum in September 1953.
Ways and Means Advance from the Reserve Bank.	80·00	80·00	Repaid in July 1953.
Total, III	..	18,80·00	

IV. SPECIAL IRREDEEMABLE LOANS.

	Amount. RS
(1) Four bonds bearing interest at 8 per cent per annum issued between the years 1796 and 1807.	1,33,000
(2) Two bonds bearing interest at 6 per cent per annum issued in the years 1795 and 1817.	10,500
(3) A deposit bearing interest at 6 per cent per annum received in 1817.	41,770
(4) A deposit bearing interest at 4 per cent per annum (now treated as an Endowment for the Stanley Hospital, Madras).	66,378
Total, IV ..	2,52,148 or 2·52 lakhs.

	RS LAKHS.
Grand total—Loans outstanding on the 31st March 1953 (I + II + III + IV).	75,08·25